

**MID KENT AUDIT**

**Internal Audit Plan  
2016/17 Operational Plan  
and Strategic Plan Update**

**Swale Borough Council**



## Introduction

1. Internal audit is an independent and objective assurance and consulting activity designed to add value and improve the Council's operations. It helps the Council accomplish its objectives by bringing a systematic and disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes<sup>1</sup>.

2. Statutory authority for Internal Audit is within the Accounts and Audit Regulations 2015, specifically Regulation 5:

*A relevant authority must undertake an effective internal audit to evaluate effectiveness of its risk management, control and governance processes, taking into account Public Sector Internal Audit Standards (PSIAS).*

3. The Head of Audit Partnership is required by PSIAS standard 2450 to provide an annual opinion on the overall adequacy and effectiveness of the Council's framework of governance, risk management and control. The opinion takes into consideration:

- a) Internal Controls: Including financial and non-financial controls.
- b) Corporate governance: Including effectiveness of measures to counter fraud and corruption, and
- c) Risk Management: Principally, the effectiveness of the Council's risk management framework.

4. This document builds on our 4 year strategic plan presented to this Committee in March 2015, outlining the updates and adaptations we propose to ensure that the 2016/17 operational plan will support an accurate and reliable Head of Audit opinion and help the Council achieve its objectives. While the focus is on 2016/17, we have also made some consequential adaptations to the final two years of the plan which we will revisit in full and extend into 2020/21 as part of next year's planning.

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<sup>1</sup> This is the definition of internal audit included within the Public Sector Internal Audit Standards

## Basis of our plan: available resources

5. Last year we adapted the basis of our plan to move from seeking to deliver a set number of projects to a number of audit days. This move has enabled a much greater responsiveness and flexibility in how we deliver the audit resource. At Swale in 2015/16 this helped enable us to support the Council in developing its risk management approach, complete consultancy work examining project progress and consider specific contract waiver proposals.
6. As noted in our mid year update in December 2015, during 2015/16 the Audit Partnership was restructured following the departure of a long-standing Audit Manager. The restructure has meant the team for 2016/17 can deliver more productive days. We achieve this through the addition of an audit team administrator role to free-up time for completing the plan, revision to the audit manager job description to enable more direct project and consulting work and continued development of the two trainee posts we created in 2015.
7. These changes have meant an increase across the Partnership in available productive days from 1,600 to 1,710, an increase of just under 7%. Given that the restructure occurred within the existing audit budget, this increase in productive days is at no additional cost.
8. In accordance with the principles of the Collaboration Agreement which governs the operation of the service, we divide these days between the authorities in line with their contribution to the service's budget, as per the table below:

Authority	Contribution to overall partnership budget	Audit Days Allocated 2016/17	Increase from days allocated 2015/16
Ashford BC	23%	395	+25
Maidstone BC	29%	500	+30
Swale BC	26%	440	+30
Tunbridge Wells BC	22%	375	+25
<b>Total</b>	<b>100%</b>	<b>1,710</b>	<b>+110</b>

9. Therefore the total audit allocation for Swale BC in 2016/17 is **440 days**, an increase of 30 days from the 2015/16 level. Operational guidance on PSIAS 2030 (Resource Management) sets out a range of factors Heads of Audit must consider when evaluating whether the level of resource available is sufficient to fulfil responsibilities. We present that analysis on the following page and its conclusion that we are satisfied that the Audit Partnership has sufficient resources in both quantity and capability based on that risk assessment.
10. However, we must clarify that our audit plan cannot address all risks across the Council and represents our best deployment of what are inevitably limited audit resources. In approving the plan, the Audit Committee recognises this limitation. We will keep the Committee abreast of any changes in our assessment of resource requirement as we monitor the risks posed to the Council. In particular, we will revise this resource assessment afresh each year.

# Audit Resource Evaluation 2016/17

Step	Question to consider	Response	Resource Indication
1	Did you have sufficient resource to complete your prior year plan?	Marginal under-delivery of the plan anticipated (97% completion forecast) due principally to in-year maternity vacancies and lost time from inducting new staff. Similar issues not anticipated for 2016/17 and so no immediate barrier known to completing the plan.	No change in audit resource for this year
<b>Changes To The Organisation</b>			
2	How has the size of the organisation changed?	No significant change.	No change in audit resource for this year
3	How has the complexity of the organisation changed?	No significant change	No change in audit resource for this year
4	How has the risk appetite of the organisation changed?	While not formally documented, our risk workshops over the course of the year indicate the authority is increasingly willing to take on (or support) more ambitious projects to realise its Corporate Plan and income generation goals.	More audit resource needed this year
5	How has the risk profile of the organisation changed?	This greater ambition, coupled with the greater risks inherent in a challenging public sector environment with limited resources and expanding and diversifying responsibilities, suggests a greater risk profile.	More audit resource needed this year
6	How has the organisation's control environment changed?	Changes to income system in particular part of a general move to greater automation in controls. Consistently, audit reports on key controls record sound/strong assurance results.	Less audit resource needed this year
<b>Changes To The Audit Service</b>			
7	What was the outcome of the QAIP/EQA?	Full conformance.	No change in audit resource for this year
8	What changes have there been to audit professional standards & guidance?	Changes to standards on 2nd line of defence capabilities in particular point to a broader audit role if useful to authorities. May in future lead to additional or modified resource demand but no change at present.	No change in audit resource for this year
9	What efficiencies have there been within the audit service?	Continued bedding in of new audit approach and templates. Largely clearly backlog of 2013/14 and earlier recommendations for follow up.	Less audit resource needed this year

# Audit Resource Evaluation 2016/17

Step	Question to consider	Response	Resource Indication
10	How have Board expectations of the audit service and its role changed?	Increasing demand for work at the second line of defence, such as risk management and counter fraud coupled plus consultation with service managers shows range of projects/innovative areas where audit assurance input is valuable, especially in early stages of developing projects.	More audit resource needed this year
<b>Overall Summary</b>			
	What level of audit resource is needed compared to last year?	On balance, there is a greater need for audit resource in 2016/17 than 2015/16. Principally this is due to increase in the general risk environment, the Council's ambitions, and increasing demands on the audit service for advice and corporate support. Weighing against are continued efficiencies within the audit service and a consistently reliable control environment.	More audit resource needed this year
	Do you have sufficient resource to complete your audit plan?	I am confident that this plan delivers sufficient resources to support a reliable and comprehensive Head of Audit opinion at year end.	Yes

*Resource evaluation in accordance with Standard 2030 on Resource Management*

## Basis of our plan: risk assessment

11. In compiling the four year strategic plan in 2015 we undertook a comprehensive evaluation of all areas of potential assurance need (the 'audit universe') and the risks and strategic priorities of the Council. It is not efficient to run that evaluation in full every year and so the 2016/17 planning has concentrated on adapting and evolving our understanding. We will undertake a more comprehensive review ahead of the 2017/18 audit plan, including a new four-year plan which will extend out to 2020/21.
12. What we have done for 2016/17 is an analysis of the projects and other audit work originally scheduled in the four-year plan we presented in March 2015 and considered their continuing relevance and utility to the Council based on our understanding of how its risks and priorities have developed. To form this analysis we have:
  - Considered the results of audit work conducted in 2015/16 (including non-project work ,follow-up of recommendations and work completed at other authorities),
  - Consulted widely with officers, including meeting individually with each Head of Service and presenting an earlier draft of this plan to the Council's s.151 Officer and management and
  - Reviewed the Council's strategic plan and risk documentation, including direct participation across the year at officer led risk workshops.
13. These steps stand in addition to our day-to-day work across the year in keeping plans flexible and responsive to new information and feedback from officers, Members and the broader environment the Council operates in.
14. The work identified for 2016/17 is set out on the following page, along with further notes of the ground we expect the review to cover (although specific audit scopes with be agreed with audit sponsors during engagement planning) and comments on any changes from the 2016/17 plan outlined in our 4 year strategic plan of Mach 2015.

# 2016/17 Operational Audit Plan

Project titles and descriptions	Plan Days	2016/17 Updates
<b>Core Finance Reviews</b>		
<b>Council Tax</b> - To verify any changes to the system since 2016/17 and consider in particular valuation, liability and billing	10	Retained per original plan
<b>Housing Benefit</b> - To verify any changes to the system since 2016/17 and consider in particular claims processing.	10	Retained per original plan
<b>Payroll</b> - Substantive testing on high risk areas, including procedures for starters and leavers	10 <sup>2</sup>	Retained per original plan
<b>Accounts Payable</b> - To verify any changes to the system since 2015/16 and substantive testing of invoice payments, focussing on duplicate payments following NFI outcomes.	10	Retained per original plan, but scope broadened in response to NFI outcomes
<b>General Ledger: Journals &amp; Feeder Systems</b> - Document system and test key controls	15	Moved to 16/17 plan following deferral from 15/16.
<b>Bank Accounts</b> - Documentation of bank reconciliation and management procedures and testing key controls	10	Retained per original plan
<b>Corporate Governance Reviews</b>		
<b>Members' Allowances</b> - To verify allowances and expenses are claimed and paid in accordance with applicable schemes	10	Retained per original plan
<b>ICT Controls and Access</b> - To review ICT access controls on key systems, including remote access. Also considering action in response to external ICT reviews.	7 <sup>2</sup>	Retained per original plan
<b>Corporate Governance</b> - To build on initial review in 2015/16 and consider the Council's arrangements for meeting the revised Corporate Governance Code applicable from 1 April 2016.	10	Retained per original plan
<b>Data Protection</b> - To consider the Council's arrangements for meeting data protection responsibilities	15	Moved to 16/17 plan following deferral from 15/16.
<b>Operational Reviews</b>		
<b>Rent Deposit Scheme</b> - To consider processing of rent deposit schemes and bonds	10	Added to 16/17 plan based on issues raised in 2015/16 Accounts Receivable review.
<b>Private Sector Housing: Landlord Complaints</b> - To review procedures for handling and responding to complains	10	Adapted from original review of temporary accommodation following consultation with Head of Service and positive outcome of 2015/16 review.

<sup>2</sup> Shared service review jointly funded from audit plans of participating authorities.

<b>Project titles and descriptions</b>	<b>Plan Days</b>	<b>2016/17 Updates</b>
<b>ICT Procurement</b> - <i>To review effectiveness of ICT procurement both centrally through the Project Framework and within services.</i>	7 <sup>2</sup>	Retained from original plan
<b>Property Income</b> - <i>To review controls over receipt and handling of income</i>	15	Retained from original plan
<b>Business Continuity Planning</b> - <i>To review adequacy of arrangements in line with statutory and other obligations</i>	5 <sup>2</sup>	Retained from original plan
<b>HR Policy Compliance</b> - <i>To review effectiveness of measures to monitor and enforce compliance with HR policies.</i>	10 <sup>2</sup>	Retained from original plan
<b>Complaints</b> - <i>To review compliance with corporate complaints policy</i>	15	Retained from original plan
<b>Customer Service Channel Shift</b> - <i>To review progress of the Channel Shift project</i>	15	Addition to 16/17 plan arising from discussions when scoping 15/16 work on Customer Service Centre
<b>Grounds Maintenance</b> - <i>To review contract monitoring and payment controls</i>	15	Added to 16/17 plan following deferral from 15/16 plan.
<b>Leisure Centre</b> - <i>To review contract monitoring and payment controls</i>	15	Retained from original plan
<b>Residents' Parking</b> - <i>To review administration of permits and controls for handling income, including new online facility</i>	10 <sup>2</sup>	Retained from original plan but scope broadened to include online applications
<b>CCTV</b> - <i>To review contract monitoring and payment controls</i>	15	Retained from original plan
<b>Environmental Response</b> - <i>To consider enforcement and compliance with statutory obligations</i>	15	Retained from original plan
<b>Building Control Partnership</b> - <i>To review service delivery of fee earning and non-fee earning services and controls on income handling. Also consider complaints management and KPIs.</i>	15	Retained from original plan
<b>Development Control Enforcement</b> - <i>To review compliance with statutory obligations and management and response to complaints</i>	15	Retained from original plan
<b>Section 106 and Developer Contributions</b> - <i>To consider management and recording of section 106 and other developer contributions secured by the Council</i>	15	Retained from original plan
<b>Elections</b> - <i>To consider implementation of actions arising from Scrutiny review after May 2015 elections.</i>	15	Retained from original plan but scope refined to focus on action implementation.
<b>Licensing</b> - <i>To review processing of license applications, income management and performance reporting.</i>	15	Retained from original plan
<b>Land Charges</b> - <i>To review service performance and income handling controls.</i>	6 <sup>2</sup>	Retained from original plan
<b>Non-Project Work</b>		



<b>Project titles and descriptions</b>	<b>Plan Days</b>	<b>2016/17 Updates</b>
<b>Audit Committee Support</b> - Attendance at, preparation and advice to Audit Committee and Members, including training and briefings	10	Retained from original plan
<b>Recommendation Follow-Up</b> - Consider implementation of audit recommendations as part of quarterly exercise.	30	Reduced from 40 days originally, following working through of backlog
<b>Counter Fraud Support</b> - To monitor and refresh corporate policies and administer and investigate matches identified by National Fraud Initiative (NFI) and Kent Intelligence Network (KIN)	15	Increased from 10 days to reflect need for policy refresh and creation of KIN
<b>Risk Management Support</b> - To assist the Council in identifying and managing strategic and operational risks.	15	Retained from original plan
<b>Contingency</b> - To provide space for responses to risks arising in year, including requests for ad hoc advice or support	25	Retained from original plan, aimed at 5% contingency
<b>Projects removed from 2016/17 Plans</b>		
<b>Corporate Projects Review</b>	0	Moved from annual to biannual review after positive 15/16 findings, will next run in 17/18.
<b>Safeguarding</b>	0	Moved from 2016/17 to 2017/18. Some audit focus will remain in 2016/17 through follow-ups.
<b>Commercial Waste</b>	0	Scheme not currently in operation. We will review in 2017/18 and potentially add the work to the plan for that year.
<b>Total Audit Days</b>	<b>440</b>	

15. At Appendix A, we show this plan in place against the remainder of our strategic plan up to 2018/19. This includes a small number of consequential amendments to 2017/18 and 2018/19, particularly when work has been re-scheduled. We will re-consider those changes and set out further detail as part of our planning for 2017/18 and subsequent years.

## Delivering audit work

16. The risk-based approach taken to forming the plan is integrated within our approach to individual projects. In addition to any specific objectives agreed with the audit sponsor at the time of drawing up the audit scope each project considers the strategies, risks and objectives relevant to the service area under review.
17. We will conduct each review in line with our standard audit methodology which is aligned to the Public Sector Internal Audit Standards. The roles and responsibilities for successful delivery of audit projects are set out also in our Audit Charter. An updated Charter for 2016/17 is also included on today's agenda and will be provided to every audit sponsor.
18. Each of these audit reviews will culminate in an assurance rated report, giving our view on whether the particular area is operating effectively. We will keep these rating levels consistent with our revised approach adopted first in 2014/15, with details of the assurance levels included as a reminder to Members in this report at appendix C.
19. We will also, where appropriate, make recommendations for improvement. These recommendations are graded as set out in appendix C and followed up by our audit team when due for implementation. Recommendations that we find have not been implemented where there is ongoing risk to the Council are reported in the first instance to the Council's Senior Management Team. Also, Senior Managers responsible for services that consistently fail to address audit recommendations may be invited to provide further explanation to Members at the Audit Committee.
20. The plan also recognises the non-project work we deliver, using our experience and expertise to assist the Council in pursuit of its strategic priorities. We undertake this work in line with the arrangements set out in the Charter, in particular with those safeguards aimed at preserving our independence and objectivity.
21. Typically the non-project work will not result in an assurance graded output, but rather an alternative format relevant to the engagement and agreed with the work's sponsor. In any event, we will inform the Audit Committee of the outcomes of non-project work through our interim and year end reports.

## Monitoring delivery

22. We undertake our audit work against our standard audit approach, which has been assessed in our EQA as consistent with the PSIAS. In addition we adhere to the professional standards, roles and responsibilities as set out in the Charter.
23. As part of this approach we are careful to ensure the quality and consistency of our work. With respect to individual audit projects, each undergoes internal review focussing on each stage from compilation of the original brief, through completion of fieldwork and ultimately our reporting.
24. We undertake broader quality assurance of our work as detailed in our annual reports which include a full self assessment against the PSIAS.
25. Our service is also monitored each quarter by an Audit Shared Service Board; Mark Radford is Swale's representative. The Board receives performance and financial monitoring reports on the progress of the service. The set of performance indicators against which we report are included at appendix D, and we also report outturn on these indicators to the Audit Committee twice a year.
26. We are also dedicated to continuing to develop and enhance the professional expertise and experience of our audit team. In 2016/17 we have three of the team studying for professional qualifications in addition to the five who gained qualifications in 2015/16. We include more details about the audit team and the work we will be undertaking in 2016/17 to support and enhance their development within appendix B.

# Appendix A: Swale Borough Council: Updated Strategic Plan

## Core Finance & Corporate Governance Reviews

Service	Audit Project	Partnership	2016/17	2017/18	2018/19
<b>Core Financial Systems</b>			<b>65 days 6 reviews</b>	<b>60 days 6 reviews</b>	<b>47 days 5 reviews</b>
Finance	Feeder Systems			10	
Finance	Payments & Receipts		10	10	10
Finance	Budget Management			10	
Comm & Cust Contact	Procurement			10	
Finance	General Ledger		15		10
Finance	Bank/Treasury		10		10
Human Resources	Payroll	MBC/SBC	10	10	7
Revenues & Benefits	Business Rates	MBC/TWBC		10	
Revenues & Benefits	Housing Benefits	MBC/TWBC	10		
Revenues & Benefits	Council Tax	MBC/TWBC	10		10
<b>Corporate Governance</b>			<b>47 days 5 reviews</b>	<b>65 days 7 reviews</b>	<b>46 days 5 reviews</b>
Corporate Centre	Register of Interests			10	
Corporate Centre	Data Protection		15		10
Corporate Centre	Corporate Governance		10	10	10
Corporate Centre	Corporate Projects Review			10	
Corporate Centre	Performance Management				
Corporate Centre	Business Continuity	ABC/SBC	5	5	
Corporate Centre	Members' Allowances		10		10
Corporate Centre	Safeguarding			10	10
Corporate Centre	Freedom of Information			10	
Corporate Centre	Risk Management			10	
ICT	ICT Controls & Access	MBC/SBC/TWBC	7		6

## Operational Reviews

Service	Audit Project	Partnership	2016/17	2017/18	2018/19
Operational Reviews			233 days 18 reviews	179 days 17 reviews	117 days 10 reviews
Communities	Communications				
Communities	CCTV		15		
Communities	Community Safety Grants			15	
Communities	Faversham Pools				10
Communities	Economic Development Grants				15
Customer Services	Customer Services/CRM				
Customer Services	Complaints		15		
Customer Services	Channel Shift		15		
Democratic Services	Elections and Registration		15		
Environment	Environmental Response		15		
Environment	Abandoned Vehicles/Flytipping			15	
Environmental Health	Air Quality/Pollution	MBC/SBC/TWBC		5	
Environmental Health	Food Safety	MBC/SBC/TWBC			5
Finance	Insurance Management			10	
Finance	VAT Management			10	
Housing	Rent Deposit Scheme		10		
Housing	Temporary Accommodation		10	10	
Housing	Housing Options: Allocation				15
Housing	Private Sector Housing / Staying Put				
Housing	Disabled Facilities Grants				15
Human Resources	Learning & Development	MBC/SBC			
Human Resources	HR Policy Compliance	MBC/SBC	10		
Human Resources	Recruitment	MBC/SBC		7	
ICT	Networks	MBC/SBC/TWBC			
ICT	IT Business & Application Support	MBC/SBC/TWBC			
ICT	ICT Procurement	MBC/SBC/TWBC	7		
ICT	Technical Support	MBC/SBC/TWBC		5	
ICT	Information Security	MBC/SBC/TWBC			5
Legal	Legal Services	MBC/SBC/TWBC		5	

Service	Audit Project	Partnership	2016/17	2017/18	2018/19
<b>Operational Reviews</b>			<b>233 days 18 reviews</b>	<b>179 days 17 reviews</b>	<b>117 days 10 reviews</b>
Leisure	Cemeteries				
Leisure	Leisure Centre Contract		15		
Leisure	Parks & Open Spaces				15
Leisure	Children's Play Areas				15
Licensing	Licensing		15		
Parking	Parking Enforcement	MBC/SBC			7
Parking	Residents' Parking	MBC/SBC	10		
Parking	Parking Income	MBC/SBC		7	
Planning	Section 106 & Developer Contributions		15		
Planning	Planning Support	MBC/SBC/TWBC			
Planning	Development Control Enforcement		15		
Planning	Building Control Partnership		15		
Planning	Land Charges	MBC/SBC/TWBC	6		
Planning	Planning Code of Conduct			15	
Planning	Planning Income	MBC/SBC/TWBC		5	
Policy & Performance	Equalities			15	
Procurement	Contract Management			15	
Property	Commercial Property				
Property	Property Income		15		
Property	Asset Management			15	
Property	Facilities Management				15
Revenues & Benefits	Discretionary Payments				
Waste Collection	Grounds Maintenance		15		
Waste Collection	Waste Collection Income				
Waste Collection	Commercial Waste				
Waste Collection	Waste Collection Contract	ABC/MBC/SBC		10	
Waste Collection	Recycling			15	

Audit projects noting more than one client (e.g. ABC/SBC) are reviews of services delivered in partnership. In such instances our work is co-funded between the partners' audit plans and the audit output will be made available to all on the same basis. Precise timings of work within a given year will be subject to negotiation with individual audit sponsors.

### Other Work

Service	Audit Project	Partnership	2016/17	2017/18	2018/19
<b>Risk Management</b>			<b>15 days</b>	<b>15 days</b>	<b>15 days</b>
Corporate Centre	Risk Management Support		15	15	15
<b>Counter Fraud</b>			<b>15 days</b>	<b>15 days</b>	<b>15 days</b>
Corporate Centre	NFI Co-ordination and investigation		5	5	5
Corporate Centre	Proactive work and policy administration		5	5	5
Corporate Centre	Initial investigations on referral		2	2	2
Corporate Centre	KIN Co-ordination and investigation		3	3	3
<b>Audit Follow Ups</b>			<b>30 days</b>	<b>30 days</b>	<b>30 days</b>
Various	Quarterly follow up exercise		30	30	30
<b>Consultancy and other work</b>			<b>35 days</b>	<b>76 days</b>	<b>155 days</b>
Corporate Centre	Supporting & attending Audit Committee		10	10	10
TBC	Unalloc contingency/consultancy time		25	66	145

### Overall Summary

Work Type	2016/17	2017/18	2018/19
<b>Project Work (leading to assurance rating)</b>	<b>345 days 27 reviews</b>	<b>304 days 30 reviews</b>	<b>225 days 21 reviews</b>
Core Financial Systems	65	60	47
Corporate Governance	47	65	61
Service Reviews	233	179	117
<b>Other Work (unrated reporting)</b>	<b>95 days</b>	<b>136 days</b>	<b>215 days</b>
Risk Management	15	15	15
Counter Fraud	15	15	15
Audit Follow Up	30	30	30
Consultancy/Contingency	35	76	155
<b>Total Audit Resources Available</b>	<b>440 days</b>	<b>440 days</b>	<b>440 days</b>

# Appendix B: Mid Kent Audit Team

## Management

**Rich Clarke CPFA ACFS (Head of Audit Partnership):** Rich became head of the audit partnership on 1 April 2014 joining the partnership from KPMG, where he had a range of internal and external audit clients across the public sector including LB Islington, Woking BC, East Kent Hospitals University NHS Trust, the Foreign and Commonwealth Office and the Civil Aviation Authority. Rich is a Chartered Accountant (CPFA) and during 2015 undertook and passed further study to become an Accredited Counter Fraud Specialist (ACFS).

**Russell Heppleston CMIIA (Deputy Head of Audit Partnership):** Russell started working for the Maidstone / Ashford partnership in November 2005, and continued his role as Auditor for the Mid Kent Audit Service when it was established in 2010. He progressed through professional qualifications with the Institute of Internal Auditors (IIA) to achieve both Practitioner and Chartered member status. Having been appointed as Audit Manager for Swale and Maidstone in 2013, Russell was subsequently appointed as Deputy Head of Audit Partnership in the 2015 restructure. During 2016/17 Russell will be studying to achieve accreditation with the Institute of Risk Management.

**Frankie Smith CMIIA (Audit Manager – Swale & Tunbridge Wells):** Frankie Smith started her career in Internal Audit at Kent County Council in 2001 as a Trainee Auditor. In December 2001 she was appointed to the role of Auditor at Maidstone Borough Council. Over the last 15 years she has completed audits at Ashford, Maidstone, Swale and Tunbridge Wells and became fully CMIIA qualified in August 2015. Frankie was appointed to the role of Audit Manager for Swale and Tunbridge Wells in August 2015.

**Alison Blake ACCA, CIRM (Audit Manager – Ashford & Maidstone):** Alison joined the internal audit partnership in 2012. Prior to this Alison worked for South Coast Audit for 7 years where she undertook internal audit work across a range of NHS clients in East Kent. During Alison's career she has completed a wide range of audit work including finance, information governance and risk management, system reviews and reviews of compliance with legislation with the aim of working with the client to help them achieve their objectives and the objectives of the organisation as a whole. Following Alison's recent return from maternity leave she takes on the role of Audit Manager for Ashford and Maidstone.



## Auditors & Senior Auditors

**Mark Goodwin (Senior Auditor):** Mark joined Ashford Borough Council in January 1999 having previously worked at Maidstone Borough Council in an audit role. He was a founder member of the Ashford and Maidstone Internal Audit Partnership before this developed into the four-way Mid Kent Audit Partnership in April 2010. He is an experienced auditor who has audited extensively the full spectrum of Council services and activities across a number of local authorities.

**Claire Walker (Senior Auditor):** Claire joined the audit partnership in September 2010, and has wide experience in a variety of sectors and bodies; Local and Central Government, Arts, Broadcasting, Financial Services, NGOs & Not For Profit Sector (domestic & foreign), also Lottery Fund distribution QUANGOS (New Opportunities Fund, Big Lottery Fund, Millennium, Commission, Olympic Delivery Agency, Heritage Lottery Fund, and Sport England) and the associated grant making programmes (in house and outsourced grant administered programmes). Claire delivered some training & mentoring projects for the FCO, DFID and the World Bank in addition to work on European Social Fund projects. Within Local Government Claire has undertaken a wide range of audits with a focus on legal compliance, contracts and governance arrangements. Other audit experience covers outsourcing functions, due diligence, and fraud investigations.

**Jo Herrington PIIA (Auditor):** Jo joined the audit partnership on 30 September 2013. She joined the partnership from Gravesham BC, where she worked for nearly nine years. She gained experience of working in the Finance department and the Revenues department before settling in the Internal Audit team in September 2009, who operated a shared management arrangement with Tonbridge & Malling BC. As part of the Internal Audit team she gained broad experience conducting financial and operational audit reviews, as well as being involved in working groups across the authority. Jo was promoted to the position of Senior Auditor during the 2015 restructure.

**Jen Warrillow PIIA (Auditor):** Jen joined Mid Kent Audit in September 2013 from Kent County Council where she trained as an Internal Auditor. She recently completed study for Practitioner of the Institute of Internal Auditors status and during 2015 will study to become a Chartered Member of the Institute. At KCC Jen undertook a wide range of audits including financial, governance and grant funding internally for the Council and externally for Parish Councils. Previous to joining KCC, Jen worked as an investigator for Swale BC and then Tonbridge & Malling BC. Jen was promoted to the position of Senior Auditor during the 2015 restructure. Jen is currently on maternity leave, scheduled to return to the team in July 2016.

**Paul Goodwin AAT (Auditor):** Paul has been employed by Tunbridge Wells Borough Council for over 26 years of which nearly all has been in Internal Audit. Paul is a qualified Accounting Technician.

**Andy Billingham (Auditor):** Andy joined the Partnership on 7 December 2015. He had previously worked for Swale Borough Council for 10 years within the Revenues and Benefits department gaining extensive knowledge of local government processes and procedures whilst dealing with complex disputes and representing the authority at Tribunals. Andy holds a degree in History as well as an Institute of Revenue Rating and Valuation qualification

## **Trainee Auditors & Others**

**Ben Davis (Trainee Auditor):** Ben joined the team in March 2015 as a trainee auditor. He holds a degree in Modern History from UEA and has previous experience in finance teams in the private and voluntary sectors. Ben began training towards achieving a professional qualification through the Chartered Institute of Public Finance and Accountancy (CIPFA) and was successful in passing the first stage of the qualification in December 2015.

**Helen Pike (Trainee Auditor):** Helen joined the audit team in July 2015 as a trainee auditor. Her previous work experience is extensive and incorporates spells in occupations as diverse as TV programme scheduling and emergency ambulance despatch but joined us most recently from the finance and administration team of the Kent Institute for the Blind. Helen has recently embarked on studying for the Institute of Internal Audit Professional Certificate as the first step towards becoming a Chartered Internal Auditor (CIA).

**Louise Taylor (Audit Team Administrator):** The Audit Partnership restructure in 2015 created the role of audit team administrator to assist the team in various tasks including monitoring performance management, archiving our reports and managing our audit software. Following a trial period, this post was taken by Louise who had previously worked in the Planning department of Maidstone Borough Council and has extensive experience working with local authorities.

We also have facility within the audit service to seek and deploy additional specialist resource depending on the needs of the service and of our local authority partners.

# Appendix C: Assurance and Recommendation Ratings

## Assurance Ratings 2016/17 (unchanged from 2014/15 and 2015/16)

Full Definition	Short Description
<p><b>Strong</b> – Controls within the service are well designed and operating as intended, exposing the service to no uncontrolled risk. There will also often be elements of good practice or value for money efficiencies which may be instructive to other authorities. Reports with this rating will have few, if any, recommendations and those will generally be priority 4.</p>	<p>Service/system is performing well</p>
<p><b>Sound</b> – Controls within the service are generally well designed and operated but there are some opportunities for improvement, particularly with regard to efficiency or to address less significant uncontrolled operational risks. Reports with this rating will have some priority 3 and 4 recommendations, and occasionally priority 2 recommendations where they do not speak to core elements of the service.</p>	<p>Service/system is operating effectively</p>
<p><b>Weak</b> – Controls within the service have deficiencies in their design and/or operation that leave it exposed to uncontrolled operational risk and/or failure to achieve key service aims. Reports with this rating will have mainly priority 2 and 3 recommendations which will often describe weaknesses with core elements of the service.</p>	<p>Service/system requires support to consistently operate effectively</p>
<p><b>Poor</b> – Controls within the service are deficient to the extent that the service is exposed to actual failure or significant risk and these failures and risks are likely to affect the Council as a whole. Reports with this rating will have priority 1 and/or a range of priority 2 recommendations which, taken together, will or are preventing from achieving its core objectives.</p>	<p>Service/system is not operating effectively</p>

## Recommendation Ratings 2016/17 (unchanged from 2014/15 and 2016/17)

**Priority 1 (Critical)** – To address a finding which affects (negatively) the risk rating assigned to a Council strategic risk or seriously impairs its ability to achieve a key priority. Priority 1 recommendations are likely to require immediate remedial action. Priority 1 recommendations also describe actions the authority **must** take without delay.

**Priority 2 (High)** – To address a finding which impacts a strategic risk or key priority, which makes achievement of the Council's aims more challenging but not necessarily cause severe impediment. This would also normally be the priority assigned to recommendations that address a finding that the Council is in (actual or potential) breach of a legal responsibility, unless the consequences of non-compliance are severe. Priority 2 recommendations are likely to require remedial action at the next available opportunity, or as soon as is practical. Priority 2 recommendations also describe actions the authority **must** take.

**Priority 3 (Medium)** – To address a finding where the Council is in (actual or potential) breach of its own policy or a less prominent legal responsibility but does not impact directly on a strategic risk or key priority. There will often be mitigating controls that, at least to some extent, limit impact. Priority 3 recommendations are likely to require remedial action within six months to a year. Priority 3 recommendations describe actions the authority **should** take.

**Priority 4 (Low)** – To address a finding where the Council is in (actual or potential) breach of its own policy but no legal responsibility and where there is trivial, if any, impact on strategic risks or key priorities. There will usually be mitigating controls to limit impact. Priority 4 recommendations are likely to require remedial action within the year. Priority 4 recommendations generally describe actions the authority **could** take.

**Advisory** – We will include in the report notes drawn from our experience across the partner authorities where the service has opportunities to improve. These will be included for the service to consider and not be subject to formal follow up process.

# Appendix D: Performance Indicators

Area	Ref	Indicator
Finance	F1	<b>Cost per audit day</b>
	F2	Audits completed on budget
	F3	Chargeable days
Internal Process	I1	<b>Full PSIAS conformance</b>
	I2	Audits completed on time
	I3	Draft reports on time
Customer	C1	<b>Satisfaction with assurance</b>
	C2	Final reports on time
	C3	Satisfaction with conduct
Learning & Developing	L1	<b>Implemented recommendations</b>
	L2	Training plan achieved
	L3	Satisfaction with skills